

## STIPULATION OF DISMISSAL FOR

USA v. \$1,032,477.20 in U.S. Currency, Civ. MJG-03-CV-0194, and  
USA v. Real Properties, etc. , Civ. MJG-03-CV-1223

Effective Date: May \_\_, 2004 (Date of Last Required Signature to  
Agreement)

### Parties:

Thomas M. DiBiagio, United States Attorney, District of Maryland,  
101 West Lombard Street, Baltimore, MD, 21202, by Robert Harding  
and Joyce McDonald, Assistant U.S. Attorneys, ("**the government**");  
Paul Schroeder, personally and by counsel ("**Claimant**"); and  
Belinda Schroeder, personally and by counsel ("**Claimant**")

### A. Preamble and Recitals

This Agreement regarding the property in *United States v.*  
*\$1,032,477.20 in U.S. Currency*, Civ. No. MJG-03-0194, and *United*  
*States v. Real Property, Namely 150 Williams Street, Bel Air,*  
*Maryland, 162 Williams Street and 35 West Gordon Street, Bel Air,*  
*Maryland*, Civ. No. MJG-03-1223, (together hereafter referred to as  
the "**Maryland Forfeiture Actions**") is made between the  
government and the Claimants.

1. Whereas the government has filed civil forfeiture actions against \$1,032,477.20 held in bank accounts in the names of Paul Schroeder, Belinda Schroeder and related entities (hereinafter referred to simply as "**the currency**") and real property named above,

2. Whereas all action in the Maryland Forfeiture Actions has been stayed, and the parties do not agree whether service has been perfected.

3. Whereas the Claimants intend to execute a separate agreement with the Federal Trade Commission, which agreement will resolve all claims and issues involving Claimants in the pending case *FTC v. 1492828 Ontario Inc., et al.*, Civil No. 02-C-7456 (N.D. Ill. 2002) (hereinafter referred to as "**the FTC case**"), and the terms of which provide that the Claimants will execute necessary liens and other documents of transfer for certain assets subject to the Maryland Forfeiture Actions, namely, the currency and the real property located at 162 Williams Street, and 35 West Gordon Street, Bel Air, Maryland.

6. Whereas, the government and the claimants wish to reach a fair and expedited resolution to their dispute regarding the property

in the Maryland Forfeiture Actions, to among other things achieve a settlement in the FTC case.

Now, therefore, for the forgoing reasons and for good and substantial consideration, the adequacy and receipt of which is hereby acknowledged, the Claimants and the government agree as follows:

**B. Terms of the Agreement**

1. The preamble and recitals are fully incorporated into this agreement.

2. As to each Claimant, this agreement is subject to and conditioned upon execution by that Claimant of the settlement agreement titled "**Final Settlement Order**," with the Federal Trade Commission in the FTC case, and the performance by each Claimant of all actions each Claimant agrees to undertake in that agreement regarding the bank accounts and the real property located at 162 Williams Street, and 35 West Gordon Street, Bel Air, Maryland, all of which are subjects of the Maryland Forfeiture Actions. In order for this agreement to be effective as to a Claimant, a Claimant shall execute all necessary liens, transfers and deeds to transfer his or her interests in the currency and property named

above to the FTC as described in the Final Settlement Order in the FTC case.

3. The government agrees that within seven (7) business days of the execution by the Claimants of the necessary liens to transfer their interest in the bank accounts subject to the Maryland Forfeiture Actions and 162 Williams Street and 35 West Gordon Street, Bel Air, Maryland, to the Federal Trade Commission, it will dismiss with prejudice the pending civil forfeiture claims against the the currency, 150 Williams Street, Bel Air, Maryland, 162 Williams Street and 35 West Gordon Street, Bel Air, Maryland, with the result that Belinda Schroeder will maintain her rights, title and ownership interests in 150 Williams Street, and both the FTC and the government will relinquish and release any claims they have to 150 Williams Street. The government also agrees that within seven (7) business days of the execution by the Claimants of the necessary transfers and deeds for the currency, 35 West Gordon Street, and 162 Williams Street, it will remove any and all *lis pendens* or any other notice of claim or cloud on the transferability of title to 150 Williams Street that it filed or caused to be filed in connection with any forfeiture action. Irresepective of any action or inaction of

Claimant Paul Schroeder, if Claimant Belinda Schroeder timely fulfills her obligations under this paragraph the government shall convey clear title to the real property located at 150 Williams Street, including dismissal of the pending action against that property.

4. The government agrees that under no circumstances in the future will it seek to impose an asset freeze, seizure, or forfeiture of the real property located at 150 Williams Street, or any proceeds from any possible sale or transfer of the real property located at 150 Williams Street, or any interests of whatever type, the Claimants have, may have, or will have in that parcel of real property, based on any facts whatsoever arising from or related to the allegations contained in complaints filed in the Maryland Forfeiture Actions. Should Belinda Schroeder have undertaken or undertake new criminal activity NOT arising from the facts set forth in the Maryland Forfeiture Actions, the government will be free to proceed against 150 Williams Street as provided by law. If Belinda Schroeder timely complies with all of her obligations pursuant to this agreement and the FTC agreement, and has not undertaken or does not undertake new criminal activity unrelated to the facts set forth in the Maryland Forfeiture Actions, irrespective of any action or inaction by Claimant

Paul Schroeder the government agrees not to proceed against 150 Williams Street as provided by law. Moreover, if at any time, the real estate 150 Williams Street should be posted as bond in any criminal action to secure the release of Paul Schroeder, the government could take any action against the property consistent with the requirements of the bond provisions.

5. The government's agreement not to seek forfeiture of the real property located at 150 Williams Street, or any interests of whatever type, the Claimants have, may have, or will have in that parcel of real property, includes but is not limited to any possible future administrative, criminal, or civil forfeiture claims, including any substitute asset claims, which may be brought at any time in the future arising from the underlying facts in the Maryland Forfeiture Actions. Further action against 150 Williams Street by the United States based upon any new criminal activity by Claimant Belinda Schroeder is not foreclosed by this agreement. Further action against 150 Williams Street by the United States based upon any new criminal activity by Claimant Paul Schroeder unrelated to Claimant Belinda Schroeder is foreclosed by this agreement. If, however, Belinda Schroeder invests money obtained in any manner from Paul

Schroeder in 150 Williams Street, the government is not hereby precluded from seeking forfeiture of any value added to the property if the funds so used were derived from criminal activity attributable to Paul Schroeder.

6. Claimant Belinda Schroeder hereby represents that all statements made by her or her attorney on her behalf in settling this matter regarding the real property located at 150 Williams Street are true and correct to the best of her knowledge, information, and belief. Based on this representation, the government agrees not to seek a criminal prosecution of Claimant Belinda Schroeder in the District of Maryland based on any facts whatsoever arising from or related to the allegations contained in Maryland Forfeiture Actions.

7. The government agrees not to seek forfeiture, based on the allegations contained in the complaints filed in the Maryland Forfeiture Actions, of any real or personal property of any type possessed, owned, or otherwise belonging to Claimant Belinda Schroeder not otherwise identified in complaints filed in the Maryland Forfeiture Actions.

8. As to each Claimant, this agreement is expressly conditioned upon performance by that Claimant all of duties and

actions undertaken by that Claimant in the settlement in the FTC case to transfer the currency and 32 West Gordon and 162 Williams Street to the Federal Trade Commission and failure to do so will render this agreement without effect as to that Claimant. Specifically, as to a non-compliant Claimant, the United States will be free to reinstate its forfeiture action against the non-compliant Claimant's interest in either the currency or the real property or both.

9. Should any disputes arise regarding the interpretation or performance of this agreement, the government and Claimants agree that the United States District Court for the District of Maryland shall have jurisdiction over any such disputes.

10. This agreement states the entire agreement reached between the parties regarding the currency and real property named above and any possible criminal prosecution of Belinda Schroeder based on any facts whatsoever arising from or related to the allegations contained in complaints filed in the Maryland Forfeiture Actions.



**Signers to this Agreement:**

Thomas M. DiBiagio, United States Attorney, District of Maryland, by:

Robert Harding  
Robert Harding

and

Joyce McDonald

Joyce McDonald, Assistant U.S. Attorneys, ("the government"):

Dated: May \_\_, 2004

Paul Schroeder

Dated: May \_\_, 2004

Susan Q. Amiot, counsel for Paul Schroeder ("Claimant")

Dated: May \_\_, 2004

Belinda L. Schroeder

Belinda Schroeder

*Signed Magistrate replace 4/28*

Dated: May \_\_, 2004

Robert W. Biddle

Robert Biddle, counsel for Belinda Schroeder ("Claimant")

*July 9, 2004*  
Dated: May \_\_, 2004

SENT BY: SILVERMAN &amp; THOMPSON

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**Signers to this Agreement:**

Thomas M. DiBiagio, United States Attorney, District of Maryland, by:

  
Robert Harding

and

Joyce McDonald, Assistant U.S. Attorneys, ("the government"):

Dated: May 27, 2004

  
Paul Schroeder

Dated: May 31, 2004



Susan Q. Amiot, counsel for Paul Schroeder ("Claimant")

Dated: May \_\_, 2004

Belinda Schroeder

Dated: May \_\_, 2004

Robert Biddle, counsel for Belinda Schroeder ("Claimant")

Dated: May \_\_, 2004